

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Barronett Post Office
Barronett, Wisconsin 54813

Docket No. A2012-32

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(December 16, 2011)

On October 25, 2011, the Postal Regulatory Commission (Commission) received two appeals from postal customers Donald and Judy Haselue, and Illa Theese (Petitioners) objecting to the discontinuance of the Post Office at Barronett, Wisconsin. The earliest appeal was postmarked October 4, 2011. On October 31, 2011, the Commission issued Order No. 938, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 938, the Postal Service filed the administrative record with the Commission on November 9, 2011. The Petitioners filed Form 61 Participant Statements with the Commission in support of their appeals on November 16, 2011.

The appeals docketed by the Commission on October 25, 2011 raise four main issues: the effect on postal services, the impact upon the Barronett community, economic savings, and the effect on employees. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Accordingly, the determination to discontinue the Barronett Post Office should be affirmed.

Background

The Final Determination to Close the Barronett WI Post Office and Extend Service by Rural Route Service (FD), as well as the administrative record, indicate that the Barronett Post Office provides EAS-11 level service to customers who receive service through 90 of the 144 available Post Office Boxes, as well as to retail customers, 38.7 hours per week. FD at 2, 10; Item 15, Post Office Survey Sheet.¹ The Postmaster of the Barronett Post Office retired on February 11, 2009. A Part Time Flexible (PTF) clerk from the Danbury Post Office was installed as the officer-in-charge (OIC), and will return to Danbury upon closure of the Barronett Post Office. The noncareer Postmaster Relief (PMR) may be used in other area offices as needed or may be separated.² The average number of daily retail window transactions at the Barronett Post Office is eleven, accounting for 13 minutes of retail workload daily. Revenue has declined: \$32,427 in FY 2008 (85 revenue units); \$30,729 in FY 2009 (80 revenue units); and \$28,344 (74 revenue units) in FY 2010. Revenue has dropped more than 12% over the last 2 years, and earned workhours average only 1.9 hours per day.³ The Barronett Post Office has no meter or permit customers. FD at 2; Item 33, Proposal, at 2; Item 15, Post Office Survey Sheet.

¹ In these comments, specific items in the administrative record are referred to as "Item ____." The numbers for each Item are listed in the far left column of the "Barronett Docket" at the beginning of the Administrative Record.

² FD, at 14; Item 33, Proposal to Close the Barronett, WI Post Office and Extend Service by Rural Route Service ("Proposal") at 2; Item No. 15, Post Office Survey Sheet.

³ FD, at 2; Item 10, Window Transaction survey. The average earned workhours of 1.9 per day represent the average time it takes the Barronett Post Office staff to daily work the mail and sell stamps at the retail lobby over the course of the year.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Cumberland Post Office⁴, an EAS-18 level office located approximately seven miles away that has 242 available Post Office Boxes. FD at 2; Proposal at 2. In addition, retail services are also available at the Shell Lake Post Office⁵, an EAS-16 level office located approximately eight miles away, that has 135 Post Office Boxes available for rent. FD at 2, 10; Item 33, Proposal at 2.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Barronett Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Barronett Post Office. Questionnaires were also available over the counter for retail customers at Barronett. FD at 2; Item 20, Questionnaire Instruction Letter from the Post Office Review Coordinator to the OIC/Postmaster at the Barronett Post Office. A letter from the Manager of Post Office Operations, Minneapolis, MN, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Barronett Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Cumberland Post Office. The letter

⁴ The Cumberland Post Office is not included in the facilities listed in the Postal Service's Retail Access Optimization (RAO) Initiative. See PRC Docket No. N2011-1.

⁵ The Shell Lake Post Office is not included in the facilities listed in the Postal Service's Retail Access Optimization (RAO) Initiative. See PRC Docket No. N2011-1.

invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item 21, Letter to Customers. The returned customer questionnaires, Optional Comment Forms, and Postal Service response letters appear in the administrative record in Items 22 and 38. In addition, representatives from the Postal Service were available at the Barronett Civic Club to answer questions and provide information to customers on June 7, 2011. FD at 2; Item 21, Letter to Customer; Item 24, Community Meeting Roster; Item 33, Proposal, at 2. Customers received formal notice through postings at the affected Post Offices. The Proposal was posted with an invitation for public comment at the Barronett and Cumberland Post Offices from June 25, 2011 to August 26, 2011.⁶ Item 36, Proposal, showing round date-stamped cover sheets at 1, 3. The FD was posted from September 29, 2011 to October 31, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record. Item 49, FD at 1, 2.

In light of the postmaster vacancy, minimal workload, declining office revenue,⁷ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁸ little projected growth in the area,⁹ minimal impact upon the community, and the expected financial savings,¹⁰ the Postal Service issued the FD.¹¹ Regular and

⁶ The discontinuance of the Barronett Post Office was processed under the Postal Service's former "Post Office Discontinuance Guide", Handbook PO-101.

⁷ See note 3 and accompanying text,

⁸ FD, at 2; Item 33, Proposal, at 2.

⁹ Item 16, Community Survey Sheet.

¹⁰ FD, at 14; Item 33, Proposal, at 15.

¹¹ FD, at 2, 14-15; Item 33, Proposal at 15.

effective postal services will continue to be provided to the Barronett community in a cost-effective manner upon implementation of the final determination. FD at 2.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Barronett Post Office on postal services provided to Barronett customers. The closing is premised upon providing regular and effective postal services to Barronett customers.

The Petitioners raise the issue of the effect on postal services of the Barronett Post Office's closing, noting the convenience of the Barronett Post Office and requesting its retention. The Petitioners and other customers expressed particular concern about the security of the mail, and the ability of senior citizens, individuals with health issues, and the disabled to obtain postal services from rural route delivery.

The Postal Service has considered the impact of closing the Barronett Post Office upon the provision of postal services to Barronett customers. Each of Petitioners concerns was considered by the Postal Service. FD at 3-10; Item 23. Postal Service Customer Questionnaire Analysis at 2-8; Item 38, Postal Service Response Letters at 2.

The Postal Service explained that carrier service is beneficial to many senior citizens and customers with disabilities because the carrier can provide delivery and retail services to roadside mailboxes that is similar to that in Post Offices, thereby

alleviating the need to travel to the Post Office. FD at 3, 6. Carrier service can be beneficial to customers like Petitioner Theese who stated in her Participant Statement that she does not drive when the roads are icy. Most transactions do not require meeting the carrier at the mailbox. Stamps by mail and money order application forms are available for customer convenience. Commemorative stamps and stamp collecting products are also available. Special provisions, such as delivery to the home of a customer, can be made for hardship cases or special customer needs. Customers may submit a written request for a change in delivery method due to hardship to the Cumberland administrative Postmaster. The Postal Service considers changes in the type of delivery where service would impose an extreme physical hardship for an individual customer. FD at 3, 6.

Various options exist for the shipping of packages and purchase of stamps and shipping labels. The Stamps by Mail Program provides customers the opportunity to purchase stamps, envelopes, and post cards available from the Post Office or the carrier. The customer addresses the postage paid order form envelope, encloses payment by check or postal money order made payable to the Postal Service and can either mail the form (postage-free) or leave it in the mailbox for the carrier to pick up. Most orders are processed overnight, and some immediately. FD at 5, 7, 9; Item 33, Proposal at 4, 6, 8. In addition, stamps are available at many stores and gas stations where customers may already shop, online at usps.com, or by calling the Postal Service's toll free number. Customers can print postage and request carrier pick-up through the Postal Service's web-site at usps.com. Item 23, Postal Service Customer

Questionnaire Analysis at 3, 4. Customers who do not have computer access can call the Cumberland Post Office or leave a note in the mailbox for the rural carrier with the red flag up. Item 25, Postal Service Customer Community Meeting Analysis, at 1, 2.

The effect of the closing of the Barronett Post Office on the shipping of packages was also considered by the Postal Service. Carriers will accept packages at the mailbox without a customer being present, provided the postage is fully prepaid, and the customer is known to reside or conduct business at the collection point. The package must display a return address that matches the address at the collection point. If the customer has not applied postage, the customer must estimate the amount of postage needed and leave the money in the mailbox. If insurance is desired, the value of the contents must be specified. The carrier will take the package to the Cumberland Post Office where it will be weighed to determine the appropriate postage rate. The package will be mailed that same day, and the carrier will leave the customer's change and insurance receipt, if appropriate in the mailbox on the next delivery day. FD at 4; Item 22, Returned Customer Questionnaires and Postal Service Response Letters at 110. In response to the concerns expressed by a pottery and glassworks business about shipping packages, the Postal Service suggested that information was available on the Postal Service's web-site, and that the business could contact the Cumberland or Shell Lake Postmaster to discuss a shipping arrangement. Item 22, Returned Customer Questionnaires and Postal Service Response Letters at 125.

The Postal Service also considered the needs of customers who require special services for their mail such as certified, registered mail, express mail, delivery

confirmation, signature confirmation, and Cash on Delivery (COD). Special services may be obtained from the carrier by leaving a note in the mailbox along with the appropriate payment. The carrier will provide the services that day and leave a customer receipt in the mailbox on the next delivery day. FD at 9; Item 22, Postal Service Response Letters at 113. FD at 9. The Town of Lakeland, in its response to the Postal Service questionnaire, noted that it frequently requires special services for its mail, and also has as a large volume of mail for tax statements and payments from December through February. The Postal Service recommended that the Town contact the Postmaster at the Cumberland Post Office to discuss the Town's mailing needs, particularly the high-volume mailings. To assist the Town, the Postal Service noted that it publishes its rates at usps.com and can also provide the Town with a rate chart. Item 22, Returned Customer Questionnaires and Postal Service Response Letters at 113-115.

Upon implementation of the final determination, services provided at the Post Office, such as the sale of stamps, envelopes, postal cards and money orders will also be available from the carrier to a roadside mailbox by rural route delivery emanating from the Cumberland Post Office. FD at 2; Item 33, Proposal at 2. Rural route delivery to mailboxes installed on the carrier's line of travel provides access to retail service that is similar to that in post offices, thereby alleviating the need to travel to the Post Office. Most transactions do not require meeting the carrier at the mailbox. FD at 3, 5, 6; Item 33, Proposal at 2-3; Item 23, Postal Service Customer Questionnaire Analysis at 2-3.

With respect to security concerns, the Postal Service advised that customers concerned about mail theft may place a lock on their mailboxes. FD at 5-8. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 5-8; Item 33, Proposal at 11. The Postal Service does not open mailboxes that are locked and does not accept keys for this purpose. FD at 5-7; Item 33, Proposal at 5-7. A questionnaire was sent to the Postal Inspection service concerning mail theft and vandalism. Postal Inspection service records indicate that there has been only one report of mail theft or vandalism in the area. Item 14, Possible Discontinuance of Post Office.

Petitioners expressed concern about mail security while they are away, given that they are frequently away on short notice. Customers who will be away for a period of time may request that their mail be held at the Post Office during their absence. FD at 5; Item 33, Proposal at 3; Item 23, Postal Service Customer Questionnaire Analysis at 5, 6. Customers may request mail holding in several ways: at the Postal Service web-site at usps.com; by leaving a "hold" card at their mailbox; or by leaving a note for the carrier at the mailbox. Upon return, the customer may ask the Post Office to resume mail delivery. FD at 5, 9; Item 33, Proposal at 3; Item 22, Returned Customer Questionnaires and Postal Service Response Letters at 88-92.

Petitioners and other customers may elect to receive Post Office Box service from the Cumberland Post Office located 7 miles away, or Shell Lake, located 8 miles away, and are not required to erect rural mailboxes. FD at 3; Item 33, Proposal at 2. For customers who elect to receive rural route delivery, the Cumberland Post Office will

determine the proper placement of boxes, taking a number of factors into consideration, such as the convenience of customers and safety of the rural carrier, including how to minimize potential damage to the mailbox, such as from snow plows. FD at 3. Item 33, Proposal at 2. While not directly addressed in the record, the Postal Service notes that safety of customer access is routinely considered in connection with curbside delivery. Specifically, Postal Operations Manual § 631.32 provides that “Delivery may be provided to boxes at the curb so they can be safely and conveniently served by the carrier from the carrier’s vehicle, and so that customers have reasonable and safe access. Mail receptacles may be grouped, two to a property line where possible.”

Thus, the Postal Service has properly concluded that all Barronett customers will continue to receive regular and effective service via rural route delivery to mailboxes installed on the carrier’s line of travel.

Effect Upon the Barronett Community

The Postal Service is obligated to consider the effect of its decision to close the Barronett Post Office upon the Barronett community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Barronett is an unincorporated community located in Barron County, Wisconsin. The community is administered politically by the Township of Lakeland. Police protection is provided by the Barron County Sheriff. Fire protection is provided by the

Cumberland Volunteer Fire Department. There is at least one church and a number of businesses located in the Barronett community. The community is comprised of retirees, commuters, self-employed, those who work in local businesses, summer residents and farmers. FD at 13; Item 33, Proposal at 13; Item 16, Community Survey Sheet. Almost all of the customers who returned questionnaires to the Postal Service indicated that they travel outside Barronett for supplies and services, and most indicated that they travel to Cumberland. Item 22, Returned Customer Questionnaires.

Petitioners and Barronett customers raise the issue of the effect of the closing of the Barronett Post Office upon the Barronett community. This was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 11; Item 33, Proposal at 11; Item 38, Optional Comment Form and Postal Service Response Letter; Item 22, Returned Customer Questionnaires and Postal Service Response Letters. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Item 33, Proposal at 11; Item 23, Postal Service Questionnaire Analysis at 7, 8. The record makes clear that the Postal Service is addressing this concern through preservation of community identity by continuing the use of the Barronett name and ZIP Code in addresses, as well as in the National Five-Digit ZIP Code and Post Office Directory. FD at 11; Item 33, Proposal at 4, 11. Customers who currently receive mail by rural delivery should not need to change their addresses. FD at 4; Item 33, Proposal at 4; Item 23, Postal Service Customer Questionnaire Analysis at 2.

Communities generally require regular and effective postal services and these will continue to be provided to the Barronett community. The proposed alternate delivery service will meet the mailing and service needs in an effective manner. FD at 5, 9. There is no indication that the business community will be adversely affected by the closing of the Barronett Post Office. FD at 12, 14; Item 33, Proposal at 13; Item 23 Postal Service Customer Community Meeting Analysis at 1. Most customers who returned questionnaires to the Postal Service indicated that they will continue to use Barronett businesses if the Post Office closes. Item 22, Returned Customer Questionnaires; FD at 12. There is little expected population growth in the community. Item 16, Community Survey Sheet. Carrier services will be able to meet the needs of the business community and accommodate future growth. Item 38 at 2, Postal Service Response Letter; Item 22, Postal Service Response Letter at 114 and 125. Most new businesses moving to a community do not depend on the location of a Post Office, but instead on the Postal Service providing effective and regular postal services. FD at 12; Item 33, Proposal at 11.

The Postal Service has concluded that nonpostal services provided by the Barronett Post Office can be provided by the Cumberland Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 13; Item 33, Proposal at 13.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Barronett Post Office on the community served by the Barronett Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Barronett Post Office and would still provide regular and effective service. FD at 14-15; Item No. 21, Letter to Customers. The rural carrier would only add 1 mile to the current line of travel at an estimated annual cost of around \$11,440. FD at 14; Item 33, Proposal at 15; Item 17, Rural Route Carrier Estimated Cost for Alternative Replacement Service; Item 15, Post Office Survey Sheet at 2. The estimated annual savings associated with discontinuing the Barronett Post Office are \$32,516.¹² FD at 14; Item 33, Proposal, at 15.

Petitioners suggest other means to reduce costs in lieu of closing the Barronett Post Office. The Postal Service has broad experience with available options, including those proposed by Barronett customers such as reducing the hours at the Barronett Post Office and reducing the number of delivery days.¹³ In this case, however, the Postal Service is only responsible for formulating a specific proposal and evaluating it in the context of Title 39, U.S. Code, and applicable regulations. In this case, the Postal Service has determined that carrier service, coupled with service at the Cumberland Post Office, is a reasonable solution that will yield economic savings. In so doing, the

¹² Although one customer noted that the monthly lease payment for the Post Office is \$1,200 per month, not \$1,500 per month, this distinction does not substantially impact the Postal Service's calculation of annual savings given that the Postal Service has a ground lease that contains a 60-day cancellation clause. Item 15, Post Office Survey Sheet at 1; Item 25, Postal Service Customer Community Meeting Analysis at 4.

¹³ Six day per week delivery is generally required in most areas under legislation enacted each year by Congress. FD at 2; Item 33, Proposal at 2.

Postal Service is not required to evaluate and reject alternative proposals. In this case, the Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 14-15; Item 33, Proposal, at 15.

The Postal Service determined that carrier service is more effective than maintaining the Barronett postal facility and postmaster position. FD, at 10, 14, 15; Item 33, Proposal at 9, 15. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The Postmaster retired on February 11, 2009. A Part Time Flexible (PTF) clerk from the Danbury Post Office was installed as the officer-in-charge (OIC), and will return to Danbury upon suspension of the Barronett Post Office. The noncareer Postmaster Relief (PMR) may be used in other area offices as needed or may be separated. The record shows that no other employee would be affected by this closing. The

Postmaster position remains vacant due to a hiring freeze. FD, at 2, 10, 14; Item 15, Post Office Survey Sheet; Item 33, Proposal, at 2, 9, 15.

Petitioners express concern about loss of employment. The Postal Service understands and is sympathetic to this concern, but is also charged with responsibility to promote efficiency of operations. Consequently, this concern does not outweigh the other considerations cited in support of the FD.

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Barronett Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Barronett Post Office on the provision of postal services and on the Barronett community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Barronett customers. FD, at 15. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. §

404(d)(2)(A). The Postal Service's decision to close the Barronett Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Barronett Post Office be affirmed.

Respectfully submitted,

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